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April 13, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**ORDINANCE AMENDING TITLE 4 - REVENUE AND FINANCE, CHAPTER 4.64 – PROPERTY
TAXES, OF THE LOS ANGELES COUNTY CODE BY ADDING NEW SECTION 4.64.170
TO PROVIDE THAT THE PROHIBITIONS CONTAINED IN THE REVENUE AND TAXATION
CODE
SHALL NOT APPLY TO THE COUNTY OF LOS ANGELES
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

This action is to approve the ordinance amending Title 4 – Revenue and Finance, Chapter 4.64 – Property Taxes, of the Los Angeles County Code by adding new section 4.64.170 to provide that the prohibitions contained in the Revenue and Taxation Code section 2823 (b) and (c) shall not apply to the County of Los Angeles. Section 2823 (b) prohibits the making of a separate valuation of any parcel covered by a subdivision map filed for a record after the lien date immediately preceding the current fiscal year. Section 2823 (c) prohibits the dividing of an original assessment into more than four parcels.

IT IS RECOMMENDED THAT YOUR BOARD:

Amend Title 4 – Revenue and Finance, Chapter 4.64 – Property Taxes, of the Los Angeles County Code by adding new section 4.64.170 to provide that the prohibitions contained in the Revenue and Taxation Code section 2823 (b) and (c) shall not apply to the County of Los Angeles.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The California Assessors' Association sponsored SB 822, a property tax omnibus bill. It was signed by the Governor and chaptered October 11, 2009 with its provisions effective January 1, 2010. One of the provisions of SB 822 allows the Assessor to create separate valuations (parcels) of new subdivision lots created after the lien date. Implementation is at county option, hence the need for this ordinance amendment.

Currently there is no method for placing newly recorded subdivision lots created after the lien date (January 1) on the assessment roll being prepared. As a result it can take up to 18 months before new subdivision lots appear on the regular assessment roll and individual tax bills are received by the owner of each lot. During the six month period between the lien date and the end of the fiscal year (January 1 to June 30) parcels may have had new construction or may have been sold. This creates complicated tax bill situations for the developer and the new owners. Confusion over property tax responsibility may lead to delinquent payments and increased public service. The proposed changes allows the Assessor to make separate assessments, resulting in the Treasurer and Tax Collector sending property tax bills to the current owner of the property.

Implementation of Strategic Plan Goals

This action is consistent with the County Strategic Plan Goal of Service Excellence, as the amended ordinance would authorize the Assessor to make separate assessments and the Treasurer and Tax Collector to send property tax bills to the most current owner of the property. The taxpayers benefit with more accurate and less confusing property tax bills.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund. Fewer property tax delinquencies results in more timely collected property tax revenue.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

California law limits the number and timing of separate assessments that can be made relating to a single real property parcel. Unless otherwise authorized by ordinance, no more than four separate assessments may be made per parcel, and such assessments must be made prior to the lien date preceding the relevant fiscal year.

Recently amended Revenue and Taxation Code section 2823 allows a county to opt out of these limitations on the number and timing of separate valuations where authorized by an ordinance adopted by a majority vote of its board of supervisors. The creation and billing of separate condominium property tax assessments is a technical undertaking subject to processing challenges. Enactment of the proposed ordinance will provide increased flexibility in the processing of these types of assessments.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be some administrative cost savings with reduced public service for the Assessor and Treasurer and Tax Collector.

The Honorable Board of Supervisors
4/13/2010
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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rick Auerbach". The signature is fluid and cursive, with the first name "Rick" and last name "Auerbach" clearly distinguishable.

RICK AUERBACH
Assessor

RA:lg

Enclosures

c: Auditor-Controller
Chief Executive Office
County Counsel
Executive Office of the Board
Treasurer and Tax Collector



ORDINANCE

Ordinance Amending Chapter 4 section
4.64.170

SUBJECT

[464170ARCC]

BOS Template File Name

APPROVED:	INITIAL	DATE
COUNTY COUNSEL ATTORNEY	<u>AR</u>	<u>1/11/2010</u>
ASSISTANT COUNTY COUNSEL	<u>smc</u>	<u>1/15/10</u>
SENIOR ASSISTANT COUNTY COUNSEL	<u>[Signature]</u>	<u>1/15/10</u>
LEELA A. KAPUR CHIEF DEPUTY COUNTY COUNSEL	<u>[Signature]</u>	<u>1/20/10</u>
WEBSITE:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>

Please initial and date above before submitting for signatures.

This Routing Sheet is to be attached to the file copy as a permanent record.

Please PDF entire document including attachments and the routing slip and rename accordingly. Email PDF document to Distribution-Non-Litigation.

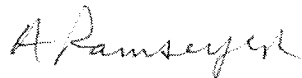
sc 1/12/10 ps 1/13/10 d.a.d. 1/15/10 VC 1/19/10
AR 1/15/10

ANALYSIS

This Ordinance amends Title 4 – Revenue and Finance, Chapter 4.64 – Property Taxes, of the Los Angeles County Code by adding new section 4.64.170 to provide that the prohibitions contained in the Revenue and Taxation Code section 2823 (b) and (c) shall not apply to the County of Los Angeles. Section 2823 (b) prohibits the making of a separate valuation of any parcel covered by a subdivision map filed for a record after the lien date immediately preceding the current fiscal year. Section 2823 (c) prohibits the dividing of an original assessment into more than four parcels. The Board of Supervisors is authorized to exclude the prohibitions by ordinance adopted by a majority vote of the Board.

ROBERT E. KALUNIAN
Acting County Counsel

By



ALBERT RAMSEYER
Principal Deputy County Counsel
Government Services Division

AR:sc

Requested 01/04/10
Revised 01/19/10

ORDINANCE NO. _____

An ordinance amending Title 4 – Revenue and Finance of the Los Angeles County Code, relating to separate assessments.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 4.64.170 is hereby added to read as follows:

4.64.170 Assessor Determination Of Separate Valuation.

The following provisions contained in Revenue and Taxation Code section 2823 shall not apply in the County of Los Angeles: the prohibition in subsection (b) which prohibits the making of a separate valuation of any parcel covered by a subdivision map filed for record after the lien date immediately preceding the current fiscal year; and the prohibition in subsection (c) which prohibits the dividing of an original assessment into more than four parcels.

[464170ARCC]



COUNTY OF LOS ANGELES
OFFICE OF THE COUNTY COUNSEL

648 KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET
LOS ANGELES, CALIFORNIA 90012-2713

ROBERT E. KALUNIAN
Acting County Counsel

January 21, 2010

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Barry Bosscher, Special Assistant
Office of the Assessor
320 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Re: **Ordinance Amending Chapter 4, Section 4.64.170**

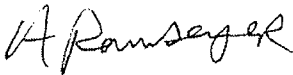
Dear Mr. Bosscher:

Pursuant to your request, enclosed is the Ordinance which revises Chapter 4 of the County Code, amending section 4.64.170.

This Analysis and Ordinance may be presented to the Board of Supervisors for consideration.

Very truly yours,

ROBERT E. KALUNIAN
Acting County Counsel

By 

ALBERT RAMSEYER
Principal Deputy County Counsel
Government Services Division

APPROVED AND RELEASED:


LEELA A. KAPUR
Chief Deputy

AR:sc